

**VALLEY HOUSE**  
**(A COMPANY LIMITED BY GUARANTEE AND HAVING NO SHARE CAPITAL)**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**LEGAL AND ADMINISTRATIVE INFORMATION**

Registered company number	03593394	
Registered charity number	1074539	
Directors and Trustees	D du Boulay S Kasli G Parker B Whittington J Bradley D Janda R Smith	Chair Treasurer Deputy Chair (appointed November 2020)
Company secretary	LJ Winterburn	
Senior management team	LJ Winterburn C Pike P Wilson	Chief Executive Director of Operations Director of Finance and Resources (appointed 24 August 2020)
Business address & Registered office	55-57 Bell Green Road Coventry West Midlands CV6 7GQ	
Auditors	Burgis & Bullock 23-25 Waterloo Place Warwick Street Leamington Spa CV32 5LA	
Bankers	Barclays Bank plc Coventry 25 High Street Coventry CV1 5QZ	
Solicitors	Anthony Collins Solicitors 134 Edmund Street Birmingham B3 2ES	

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**ANNUAL TRUSTEES' REPORT (INCLUDING DIRECTORS REPORT)  
FOR THE YEAR ENDED 31 MARCH 2021**

**INTRODUCTION**

The Trustees present their report and the audited financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland second edition published October 2019.

**NAME, REGISTERED OFFICE AND CONSTITUTION OF THE CHARITY**

The full name of the charity is Valley House.

The legal registration details are:

Date of incorporation	6 July 1998
Company registration number	03593394
Registered office	55-57 Bell Green Road, Coventry, West Midlands, CV6 7GQ
Charity registration number	1074539

**DIRECTORS AND TRUSTEES**

The directors of the charitable company are its trustees for the purposes of charity law. The trustees who have served during the year and since the year end were as follows:

Dexter du Boulay  
Surinder Kasli  
Geraldine Parker  
Barry Whittington  
Julie Bradley  
Davinda Janda  
Roy Smith



**ANNUAL TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS REPORT)  
FOR THE YEAR ENDED 31 MARCH 2021**

**STRUCTURE, GOVERNANCE & MANAGEMENT**

**1. Governing Document**

The organisation is a charitable company limited by guarantee, incorporated on 6th July 1998 and registered as a charity on 5th March 1999. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.00.

**2. Recruitment and Appointment of Trustees**

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the Trustee Board. Under the requirements of the Articles of Association the members of the Trustee Board are elected to serve for a period of three years after which they must be re-elected at the next Annual General Meeting.

**3. Trustee Induction and Training**

All trustee vacancies are widely advertised through existing local partnerships and the National Council of Voluntary Organisations (NCVO) trustee recruitment site. All interested individuals meet with the Chair of the Board and one other Trustee or member of the Senior Management Team as relevant to their potential trustee role. Trustee induction includes meeting with the Chair of the Board who explains the role and responsibilities of being a trustee at Valley House. They also meet with the Chief Executive and any other member of the Senior Management Team that may be relevant to their trustee role. All trustees are encouraged to attend training specific to the trustee role. This is currently provided by an external trainer specialising in this area.

Appointment to the Board consists of attendance at a Board meeting and a vote by trustees.

Additional training opportunities are available at the Board away day held each year. The Board identifies their training needs and an internal or external trainer will be sourced to meet this need.

**4. Decision Making**

The Board of Trustees delegates day to day operational decision making to the Chief Executive and the Senior Management Team, who are listed on the legal and administrative information page. The Board retains decision making powers in relation to strategic matters and for setting the pay and remuneration of the charity's key management personnel. The Board delegates the benchmarking exercise needed to set these pay levels to the Chief Executive, or where it is in relation to the Chief Executive, an external independent person. Benchmarking information is collated from similar roles in similar charities in a similar geographical area.

**5. Organisational Structure**

There are currently 7 Trustee Board Members (see page 1 for details)

The Board meets 6 times a year, with 2 of these being specifically focused on business and operational planning. The Audit and Risk Committee meets 4 times a year and consists of the Treasurer, 2 Trustees, the Chief Executive, the Director of Finance and Resources and the Director of Operations. Additionally, the Treasurer, the Director of Finance and Resources and the Chief Executive meet in advance of the Audit and Risk Committee. Sub-groups are established for individual projects as necessary.

Day-to-day operations are overseen by the Chief Executive. The organisation management structure is as follows:

Senior Management Team consisting of the Chief Executive; the Director of Operations and the Director of Finance and Resources.

**ANNUAL TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS REPORT)  
FOR THE YEAR ENDED 31 MARCH 2021**

During 2020/21 each service was managed by a Service Manager(s), namely:

- Domestic Abuse Supported Accommodation Service
- Young Parent Service
- Community Wellbeing Service
- Nursery Service

During 2020/21 the following finance team was in place:

- HR and Central Services Manager (supported by a reception/admin team)
- Facilities Officer
- Maintenance Officer (supported by a maintenance team)
- Finance Officer (supported by a Finance Assistant)
- Management Information Administrator
- Communications Officer

with the line management structure and reporting lines changing as a result (please see diagram on page 4)

In recognition of the importance of safeguarding, in relation to the vulnerability of the children we work with the Children's Safeguarding Lead post continued to be funded, with cross organisational responsibility for providing expert advice and support to staff in relation to all levels of safeguarding; internal safeguarding training for staff and volunteers and acting as the operational link with the emerging Family Hubs. The Children's Safeguarding Lead reports directly to the Chief Executive.

Business Development and associated activities were the direct responsibility of the Chief Executive, supported by the Senior Management Team

Marketing & Communications were undertaken on a day-to-day basis by the Communications Officer.

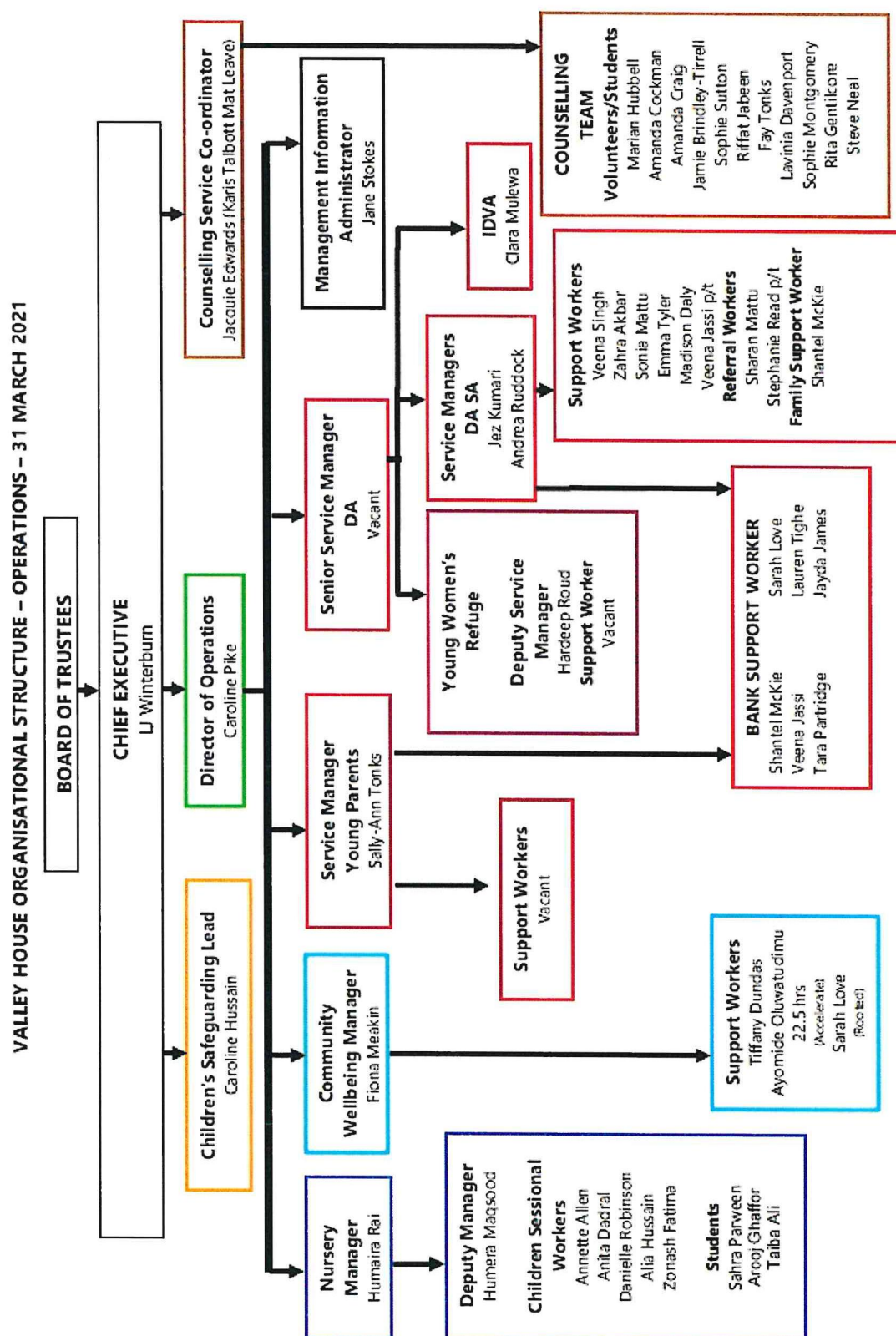
Please see the organisational structure chart on pages 4 and 5.

Training is a shared responsibility of the Management Team and overseen by the Director of Operations.

The Board of Trustees delegates day to day management to the Chief Executive and the Senior Management Team.

The trustees take advice from the Chief Executive and the Senior Management Team, the organisation's appointed auditors and solicitors.

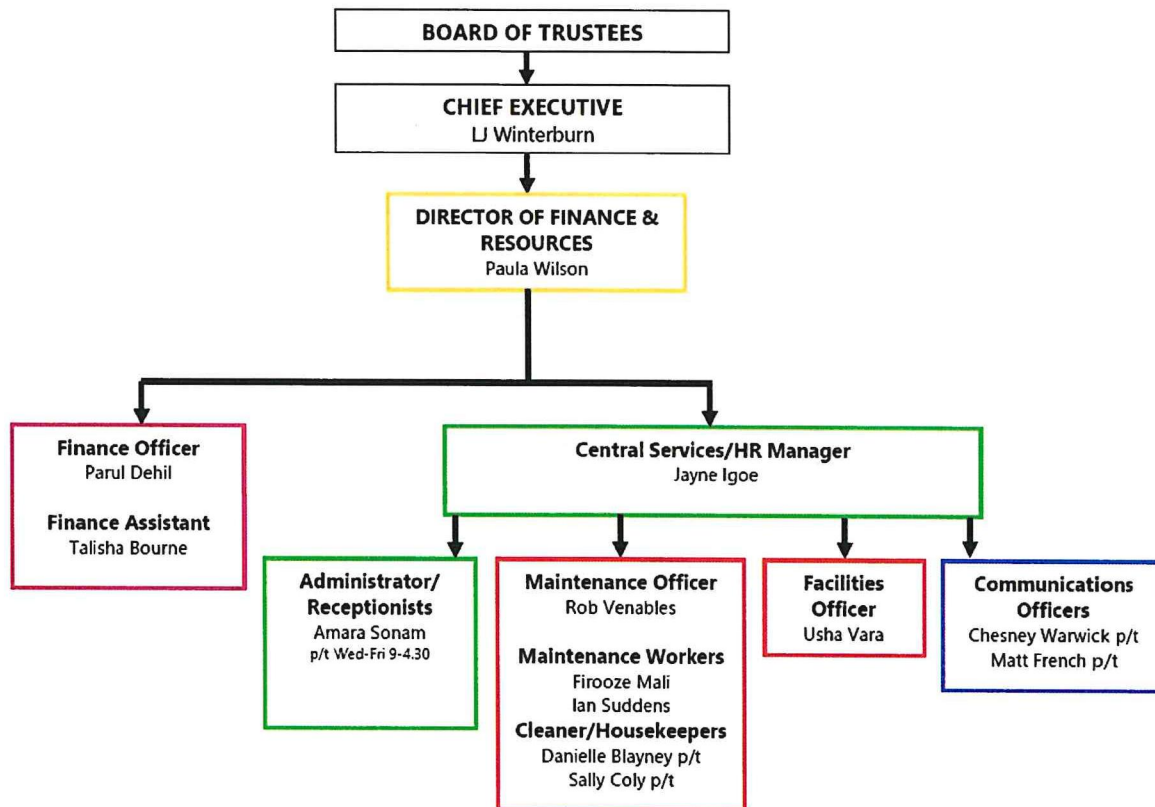
**ANNUAL TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS REPORT)**  
**FOR THE YEAR ENDED 31 MARCH 2021**





**ANNUAL TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS REPORT)  
FOR THE YEAR ENDED 31 MARCH 2021**

**VALLEY HOUSE ORGANISATIONAL STRUCTURE – FINANCE & RESOURCES – 31 MARCH 2021**



**ANNUAL TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS REPORT)  
FOR THE YEAR ENDED 31 MARCH 2021**

**Structure, Governance and Management (continued)**

**Risk Management**

The Trustees have a risk management strategy which comprises:

- A risk register which identifies the risks the charity may face.
- Regular reviews of the risk register.
- The establishment of systems and procedures to mitigate those risks identified in the plan.
- The implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

This work ensures continuously improving contingency planning. Financial risk is mitigated by establishing a reserves policy, which is reviewed annually by trustees, together with the diversification of the funding base.

There were and continue to be a number of financial risks that COVID19 and the ongoing national lockdowns have caused us over the last year. In terms of the impact on our fundraising opportunities – we had set a fundraising target of £12k for 2020-2021 which was specifically to fund our Counselling Service. We expected to raise this money through multiple fundraising events however all these events were cancelled. We were able to secure some financial support for the service from a local charity and expect to renew fundraising activities in the coming financial year.

In terms of sourcing continuation funding for our Community Wellbeing service which was due to have a funding stream end in June 2021, all avenues that we would have explored during 2020-2021 for this were closed as grant giving bodies re-visited their priorities. They directed their short-term priorities to tackling the issues created by COVID19, which did not fit with our plans for the service. Since April 2021 some funding avenues have now re-opened and we are reviewing these.

The lack of occupancy within our Young Parent Service has created a financial loss during the year. This is because we only receive payment for the actual young parents within the service at any one time, regardless of the fact that we have to have staff and housing available for the contracted number of young parents. In order to mitigate this risk, we requested a contract variation which was granted in October 2020 and reduced the staffing capacity and accommodation accordingly. We are continuing to liaise with Coventry City Council to try and recoup some of the accrued losses as the lack of referrals sits solely with Coventry City Council, although we are being expected to shoulder the financial implications of them not referring into the service.

We have mitigated the risks related to ensuring we are offering a high-quality service by increasing the number of bank staff we have available to pick up work when staff need to self-isolate.

**Our Aims, Objectives & Activities**

The principle purposes and aims of the organisation are:

To offer support and/or accommodation appropriate to the needs of individuals within the city of Coventry and the surrounding area who are homeless, with the aim of enabling them to move into and sustain their own accommodation; to support and motivate people to re-engage with educational opportunities, that will allow them to develop their potential and have more life choices and the advancements of education, training or retraining, including among unemployed people, and providing unemployed people with work experience.

To provide quality services for the advancements of the lives of children in partnership with parents, to enable children and young people to develop their physical and mental capacities so that they may achieve their potential as individuals and members of society and their conditions of life may improve.

To promote, safeguard and protect the good health, both mental and physical, of adults, children and young people.

**ANNUAL TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS REPORT)  
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The issues we seek to tackle are wide ranging and ever evolving as those individuals and families approaching us for support continue to grow in complexity of need. Whilst we continue to adhere to our purpose and aims the types of interventions and service delivery models we use continue to evolve.

The broad brush changes we seek to make through our work are encapsulated by our Mission Statement "To work alongside people to take control of their lives and create their own futures". This can range from a service user feeling able to attend an appointment by themselves after years of not leaving their home, through to a young person deciding on their career path after years of drifting; finding a suitable training course and becoming qualified in their chosen vocation.

We seek to bring public benefit most usually but not exclusively to the more vulnerable, disadvantaged and disengaged members of the community by enabling them through appropriate holistic professional support to develop their potential and take control of the quality and independence of their lives.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities Valley House should undertake.

We deliver a wide range of services specifically designed to support us in achieving our aims and objectives:

Valley House is a specialist high support needs provider commissioned by the Local Authority to offer Supported Accommodation to young parents. From April 2020 until September 2020, we were contracted to deliver 8 units of supported accommodation and 12 units of floating support. Occupancy on both elements was below this and therefore we applied and were given a contract variation that began in October 2020. This reduced expected contract delivery to 6 units of supported accommodation and 4 units of floating support.

Our Domestic Abuse Supported Accommodation Service grew during the year from providing 54 units of accommodation (as per our original contract with Coventry City Council) to 74 units of accommodation. This was due to securing (non-COVID19 related) funding from MHCLG to provide 13 units of refuge type accommodation to young women from 1st April 2020 to 31 March 2021 and securing additional funding from Coventry City Council for an additional 7 units due to the rapid rise in referrals due to COVID19. This funding began on 1st August 2020 and is due to end on 31 July 2021. Due to COVID19 it was agreed with MHCLG that the 13 units they were funding did not have to be ringfenced for young women, in order to try and help us manage the sharp increase in referrals across all age groups. Our accommodation is made up of single flats, single family houses, shared houses and refuge type accommodation, ie, where staff are on site.

The emotional and practical support we offer across both services includes 24-hour staff availability, structured support and safety plans, 1 to 1 and group work, however our group work offer has been severely impacted by COVID19. We work alongside service users on their journey to emotional and practical independence. This includes securing appropriate move on accommodation and giving them the tools to sustain their tenancies.

From 1 April 2020 to 30 September staffing within the Young Parents Service was 1 FTE Service Manager and 2.5FTE Support Workers. From October 2020 and in line with the contract variation the staffing was reduced to 1FTE staff member.

Staffing with the Domestic Abuse Supported Accommodation Service started the year as 1FTE Senior Service Manager, 2FTE Service Managers and 10FTE frontline support workers. The 2 extra funding streams increased the staffing by 1FTE Deputy Service Manager and 2FTE Support Workers.

In addition we have a dedicated maintenance team for our Supported Accommodation. Direct staffing within this team was 1 FTE Facilities Officer, 1FTE Maintenance Officer, 2FTE Maintenance Workers and 1FTE Housekeeper/Cleaner

We also have 1 FTE Finance Assistant who is solely allocated to our Supported Accommodation services.



**ANNUAL TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS REPORT)  
FOR THE YEAR ENDED 31 MARCH 2021**

Direct staffing within the Community Wellbeing Service was 0.64FTE Service Manager and 2.6FTE front line Support Worker.

Our Nursery is focused on providing quality services to enable children to further develop their personal capabilities and achieve their potential, despite the barriers they may face. Direct staffing was 1FTE Nursery Manager; 1FTE Deputy Manager and 5 nursery staff with support hours dependant on the number of children accessing the nursery at any one time.

Volunteering has always been central to Valley House, however COVID19 has impacted on the number of volunteer hours delivered over the last year. The majority of our volunteers move onto paid work following their volunteering at Valley House. Several of our current staff are ex-Valley House volunteers. Some were in turn service users of Valley House before they became volunteers. Our current nursery staff team has 3 qualified workers who were former volunteers and trainees at Valley House. During 2020/21 359.75 volunteer hours were delivered which is a reduction from 2019/20 where we had 687.75 hours delivered across our services. This is due to us stopping all volunteering opportunities except in our Counselling Service and a number of counsellors who were unable to continue volunteering during the first 2 lockdowns.

Our current success measurements are funder driven and include both quantitative and qualitative data capture. The tool used for individual qualitative data capture, specifically mapping a service user's journey and outcomes achieved is the nationally recognised Outcomes Star. Additionally, we have developed a number of internal qualitative data capture tools that use including pre and post service user questionnaires, mapped to defined service user outcomes for our group work programmes.

Quantitative success is measured through achieving the outputs as specified and agreed with the funder prior to commencement of delivery.

## **REVIEW OF 2020/21**

### **ACHIEVEMENTS**

From the beginning of the pandemic Valley House was classified as an essential service and as such continued to take referrals into all of its services, having staff onsite and visiting service users at their homes in a COVID19 secure manner. The service user Covid surveys we undertook during the last year clearly demonstrate how well we have supported them both emotionally and practically during this very difficult time. 87% of service users confirmed that Valley House had stepped up in terms of providing additional practical support during lockdowns and 84% reported that they spoke regularly to their Support Worker around their feelings about the pandemic and its impact on their mental health.

In terms of supporting our staff during the pandemic we were able to adapt quickly to more working from home and online contact between staff. We ensured we circulated health and wellbeing resources regularly and increased contact between line managers and their staff to try to manage feelings of isolation and separateness from the organisation. Staff adapted quickly to using Teams to attend meetings and training and 100% of staff reported that they were receiving support from their manager.

We were also able to secure priority access to the vaccine roll out, which was embraced by the majority of staff. We did experience some vaccine hesitancy and responded to this by listening to concerns and using fact-based information to dispel myths. To date, 87% of staff eligible for the vaccine have taken up the offer.

Prior to COVID19, Valley House had committed to a review of pay and benefits for staff. Despite the financial challenges COVID presented this review was undertaken. A number of cost savings were identified which allowed us to level up a number of salary posts and an across the board pay increase of 2% for all staff, backdated to 1 April 2020. Additionally, we reviewed our annual leave entitlement and bought in an incremental increase in leave entitlement based on years of service. This went live on 1 April 2021.

**ANNUAL TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS REPORT)  
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An example of our responsive and agile approach to service delivery in 2020/21 saw the launch of our new Young Women's refuge, however in consultation with Ministry of Housing, Communities and Local Government this was opened up to all age groups due to the sharp rise in referrals as a result of COVID19. This funding was due to end on 31 March 2021, however Coventry City Council have committed to keep these units until 31 March 2022. We were also commissioned to provide a further 7 units of domestic abuse accommodation from Coventry City Council to try and manage the increase in referrals. This funding is due to end on 31 July 2021. We do not currently expect this to be extended. Staff across Valley House responded quickly and effectively to ensure these new service strands were up and running as quickly as possible, against the backdrop of COVID.

During 2019/2020 We were successful in securing a 10-year loan of £2.5m from Social and Sustainable Capital (SASC) to purchase 22 properties. Interest payments are based on housing benefit received – there is no capital repayment involved as the loan is secured against the properties purchased. During 2020/2021 and against the backdrop of COVID19 we have purchased 15 properties. We are working hard to source and buy the remaining properties in a timely manner, however the recent upsurge in house prices is causing issues.

We were approached by a local charity that works with women at risk of or who have experienced sexual exploitation, to explore the viability of Valley House providing counselling to their service users. They wished to utilise a small pot of funding they had secured. We worked together to create a service that would work for them and this went live in January 2021. This will run for 1 year with the hope that further funding can be sourced and the partnership can continue. All three examples demonstrate our innovative and mutually beneficially approach to partnership working.

We have continued to build on enhancing our health and wellbeing offer to staff by starting work on the West Midlands Thrive at Work Wellbeing Award Silver accreditation, having successfully been awarded the Bronze accreditation in 2019/20.

During 2020/21 Valley House supported a total of 561 people. This breaks down into 268 adults, 11 young parents and 282 children.

Service	Adults	Young Parents	Children
Domestic Abuse	179	0	153
Young Parent	0	11	10
Counselling	28	0	0
Community Wellbeing	61	0	26
Nursery	0	0	93
<b>TOTAL</b>	<b>268</b>	<b>11</b>	<b>282</b>

This is an increase in the numbers worked with last year (2019/20: 542 people in total, breaking down into 217 adults, 38 young parents, 26 young people and 216 children) and is a reflection of a number of factors. Some funding streams ended (youth and community wellbeing); the Young Parents contract numbers were halved however our domestic abuse contract numbers increased. We could have expected the figures to be higher however we have seen an increase in the amount of time individuals and families are living with us, partly due to the lack of appropriate move-on accommodation and to the increasing complexity of issues they present with.

Supporting those more vulnerable members of our community to optimise their potential and take control of their lives, is achieved through providing the following services and activities:



**ANNUAL TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS REPORT)  
FOR THE YEAR ENDED 31 MARCH 2021**

**Supported Accommodation and Young Parent Community Support**

Within our DA Supported Accommodation and refuge service we worked with 179 adults and 153 children. 94% of school age children in the service achieved between 95%-100% attendance at the school they attended. This is a major achievement for Valley House in terms of helping the parent secure a school place and supporting them to attend the school, whilst having had to leave their home and deal with the impact of the trauma they have suffered. The importance of education in supporting children to aspire and achieve and well as bringing stability and routine to a family cannot be underestimated.

Within the Young Parents Service, we worked with 11 young parents and 10 children. Last year 60% of our young parents reported difficulties in keeping themselves and their child safe. At the end of their stay 80% reported they knew and had put strategies in place to keep themselves and their child safe. Achieving this outcome cannot be underestimated as one of the major reasons a young parent is referred to us is concerns from Children's Services that the young parent is unable to keep themselves and their child safe.

**Children & Families**

Valley House runs a self-funded nursery offering full day care to both funded and fee-paying families. It offers a creative and fun experience to children and seeks to optimise their readiness for school. The Nursery stayed open from the beginning of the pandemic ensuring high quality provision for the children of keyworkers and vulnerable children. However, like other nursery provision as a result of the pandemic we have seen an overall reduction in the number of children attending nursery over the last year. During 2020/21 93 children accessed our nursery and holiday club provision (2019/20 139 children). We have a wide range of families from different cultural and ethnic backgrounds and good working relationships with statutory services. However, our families can have multiple disadvantages. Despite this and the pandemic, our assessment data shows that 70% of children were at the expected age-related level in terms of their reading, 83% were at the expected age related level in terms of their self-confidence and self-awareness and 70% were at the age related level in terms of managing their feelings and behaviour.

**Community Wellbeing**

Our Community Wellbeing service worked with a total of 61 adults and 26 children. This service combines therapeutic type interventions with practical support to enable isolated and vulnerable individuals to live healthier and more independent lives. The pandemic led us to closing our face-to-face groupwork provision and impacted on the number of referrals we received into the service. However we did move quickly to virtual contact with our Community Wellbeing service users and where requested and it was safe to do so, service users were visited in their homes. We saw an increase in the number of children we worked with over this time period, specifically as a result of COVID and the lockdowns, meaning many of the children of our Community Wellbeing service users were unable to attend school.

Outcomes Star data collated over the last year for the Community Wellbeing Service shows the positive impact Valley House staff have had on the service users they engaged with.

Feeling Positive scoring explanation	% at beginning of working with Valley	% at end of working with Valley House
1 - I'm not thinking about this	25%	12.50%
2 - I'm exploring this	25%	12.50%
3 - I'm making changes	31.25%	6.25%
4 - I'm getting there	12.50%	43.75%
5 - I'm as good as I can be	6.25%	25%

Taking into account the additional impact COVID had over the year in terms of increasing levels of anxiety and mental health within our service users, these results are evidence of the effective work undertaken by the team.

During 2020/21 the Counselling Service worked with a total of 28 individuals. COVID again impacted on this service; we moved to offering virtual counselling immediately however a number of service users and counsellors struggled to make this work and decided early on to halt their involvement, impacting on the numbers utilising the service. However as we entered the second and third lockdown, counsellors and service users started to return to the service. At the start of counselling only 20% said that they did not feel alone and isolated. At the end of the counselling this had increased to 100%.

**ANNUAL TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS REPORT)  
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**Training and Education**

Valley House offers student placements to Social Work and Counselling courses in partnership with local universities. Unfortunately, we were unable to offer any social work placements during 2020/21 due to the pandemic. We did however continue to offer placements to counsellors. Over the course of the year, we had 8 counselling students working with us. We are committed to providing training opportunities for our staff and opening up employment opportunities to people that may have no formal qualifications. As part of the maintenance team restructure, we created 2 apprenticeship posts and had expected to recruit into these posts in June 2020. Due to COVID-19 we have not taken this forward, however once we are able to safely recruit into these posts we look forward to providing these opportunities.

Much of the above shows the public benefit within individual services. Looking across Valley House services more generally, one can see a range of public benefits achieved for vulnerable and disadvantaged citizens as well as the wider community including:

- Promoting Health & Wellbeing, including emotional and psychological wellbeing
- Enabling marginalised individuals and families access to training, education and work readiness
- Directly tackling violence/abuse effects on victims and children, promoting their confidence and independence and holding perpetrators to account
- Promoting individual's/families' aspirations, self-confidence, and engagement
- Supporting parenting skills, child development and take up of children and family services
- Championing the confidence, aspirations and constructive engagement of young people.

**Fundraising**

The charity did not carry out any significant external fundraising in the year. The charity is registered with the fundraising regulator. There were no complaints in the year.

**Challenges**

A year of COVID, multiple lockdowns and changing Government guidance brought a unique set of challenges for us in relation to how do we continue to deliver a high-quality responsive service to our vulnerable service users whilst keeping our staff and volunteers safe? We ensured that we implemented all Government guidance in relation to supported accommodation provision and undertook regular risk assessments on our office spaces so that we could be confident in being a COVID19 secure workplace. We ensured all staff had the right IT in place to support virtual communication between staff and service users. We had PPE available for staff so they would be safe when seeing a service user face to face. Our Nursery was available for staff's children if needed. We ensured our staff were given priority status in relation to the vaccine roll out. We utilised a range of online resources, webinars and training in relation to health and wellbeing to support our staff to look after themselves. Positive relationships with local businesses from the start meant we received regular food donations that we distributed to our service users. In order to ensure high level sign off of our operational decisions we increased the regularity of our Board meeting at the beginning of the pandemic and the CEO and Chair of the Board met on a weekly rather than a monthly basis.

We saw a sharp increase in referrals to our Domestic Abuse Service. We were able to meet some of this need through an increase in the number of bedspaces we had available through increased funding from Coventry City Council. However, demand outstripped supply for us and all domestic abuse services locally and nationally.

The Pandemic meant we had to cancel all of our planned fundraising events. Funds raised from these events had been earmarked to pay towards our counselling service. We were successful in an application to the Alan Higgs Charity who stepped forward and have funded the majority of these costs for the year.

The development of our new Strategic Plan was put on hold and in its place we agreed a 1 year interim plan, extending the current strategic plan. This has meant some of the longer term planning we had hoped to undertake has not been possible. Additionally some of the partnership projects we had hoped to work on have also been put on hold.

The extension of the stamp duty changes and the Government backed 95% mortgages has seen a jump in house prices which has hampered our ability to purchase the outstanding properties we were expecting to purchase with our SASC loan.



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We had hoped to re-start our Social Work Student Placements in January 2021 however this has not been possible and we are now looking to start these again in September 2021.

Our plan to work towards the Silver level Thrive at Work Wellbeing Award was severely hampered and minimal work on this took place during the year.

Our plans to introduce apprenticeship opportunities within our maintenance team and Domestic Abuse Service were put on hold, further delaying our plans to create learning and development opportunities for our local community.

### **Opportunities**

A year of increased home working has given us time to reflect on the potential to look at the practicalities of hybrid working within certain roles across the organisation. This could potentially free up office space to use in a different way. We are currently undertaking a review and consultation in relation to this.

The Government funded Kickstart programme allowed us to offer 2 placement opportunities for young people to work within our maintenance team for 6 months.

The new Domestic Abuse Bill and new legislation on local authorities in relation to increased support for domestic abuse survivors presents us with an opportunity to increase support where it is most needed with the children who live with us.

### **LOOKING TO THE FUTURE**

We are looking forward with hope that the challenges of the last year can be turned back into opportunities. We have re-started our discussions with local colleges in relation to apprenticeship opportunities and are looking to a September 2021 start for our domestic abuse apprenticeships. In relation to our maintenance trainee posts – we will be revisiting this later in 2021.

We will be aiming to develop our new Strategic Plan with input from our internal and external stakeholders – putting in place our direction of travel for 2022 onwards.

We are looking to see how best we can use the learning and good practice from our Community Wellbeing Service to increase group work support to our other services. We hope to source external funding to support this roll out.

We will be reviewing capacity within our back-office functions to better fit with our growth over the last year and our move into owning our own properties. Alongside this we will be seeing if and how hybrid working for our staff can work.

In terms of partnership working, we are keen to re-start discussions with other organisations in relation to gaps we have identified within service provision across the city.

We are ever mindful of the impact on the mental health of both our service users and staff that COVID19 has had and will be reviewing how best we can support everyone.

**ANNUAL TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS REPORT)  
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We continue to seek to maximise spend on our charitable aims while remaining financially sustainable. We have set our reserves at a prudent level, relative to our turnover, to allow us sufficient time to respond if there were to be a significant drop in funding. Thus, in establishing contingency reserves of £350-£400k against a turnover of approximately £1.5m, we are seeking to provide ourselves with the ability to cover our liabilities for approximately a quarter of a year. This will allow us to address any extreme financial situation that might arise and is in line with our Reserves Policy.

We have committed resources via our Development Fund to allow Valley House to respond to ideas from both staff and service users on how we could improve what we do. Whilst we would always seek to source external funding for such ideas, there isn't always a 'good fit' externally. Having our own internally designated fund allows for additional flexibility and innovation.

**FINANCIAL REVIEW**

The financial statements for the year ended 31 March 2021 show net incoming resources of £177,805 (2020: -£46,410). While our major source of funding continues to be from the Local Authority, Valley House recognises that this provision is rapidly changing and still seeks both to diversify funding and identify sources of income-generating work.

**a) Investment policy**

Under the Articles of Association, the charity has the power to invest in any way the trustees consider fit. The Board of Trustees has considered the most appropriate policy for investing funds and currently any cash surplus to day to day requirements is invested in medium to long term funds.

**b) Reserves policy**

The Board of Trustees is responsible for establishing that the level of reserves (that is those funds that are freely available) is sufficient to be able to continue the current activities of the charity in the event of a significant drop in funding, albeit for a limited time, to enable us to replace the funding or reduce services in a way not detrimental to our service users. This figure is reviewed annually and at 31 March 2021 the ideal minimum level considered necessary was £350,000 to £400,000.

The free reserves, identified as the General Fund at 31 March 2021, were £205,310 (2020: £184,269). In order to enable our future strategic and development plans to move forward, the Trustees have designated Contingency, Development and Capital Funds from free reserves. This allows us to make necessary infrastructure improvements as well as pilot developmental opportunities and invest in capital projects. The Development Fund has been set at £3,500 at 31 March 2021 with the appropriate spend reviewed on an annual basis. The Capital Fund has been increased to £365k at 31 March 2021, utilising surpluses of £75k from the General Fund and £110k from our investment.

The Funds resources will be used to:

- Finance capital and infrastructure projects to ensure we have sufficient capacity going forward
- Establish additional aspects of service delivery to ensure the appropriate levels of support to our core areas of business activity
- Establish pilot projects to develop new ways of delivering our services and innovative ideas for earning income

**ANNUAL TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS REPORT)  
FOR THE YEAR ENDED 31 MARCH 2021**

The Contingency Fund has been set at £403,006 (2020: £402,424) at 31 March 2021 for the purpose of allowing us to address any extreme financial situation that might arise (see note 20). The Contingency Fund is held with CCLA Investment Management Limited in a COIF Charities Ethical Investment Fund. The value of the fund has increased significantly from the initial investment of £300,000 in 2014. Any increase in value is reinvested in more units with the aim of providing long-term protection from inflation with a good level of distributions and a wide range of ethical restrictions.

Previously Restricted funds where capital grants have been spent on the assets for which the donations were intended and there are no longer trust law restrictions in place have been reclassified as Endowment Funds.

No amounts are otherwise committed as at 31 March 2021. The following is relevant information with regard to the Charity's reserves as at 31 March 2021:

<b>i) Amount of reserves</b>	<b>£1,486,186</b>
<b>ii) Amount of any restricted funds</b>	<b>£101,102</b>
<b>iii) Amount of reserves fund that can only be realised by disposing of tangible fixed assets</b>	<b>£408,268</b>
<b>iv) Amount of reserves after making allowance for ii) and iii) above</b>	<b>£976,816</b>

**c) Principal funding sources**

These are service contracts £684,774 (2020: £650,971) (please refer to analysis in note 4) and tenant welfare services income £524,942 (2020: £408,660).

**d) Trustees responsibility for the accounts**

The Trustees (who are also directors of Valley House for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



**VALLEY HOUSE**  
(company limited by guarantee having no share capital)  
**ANNUAL TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS REPORT)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**e) Disclosure of information to auditors**

We, the directors of the charitable company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- There is no relevant audit information of which the company's auditors are unaware; and
- We have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**f) Auditors**

Burgis and Bullock were re-appointed as the company's auditors during the year and expressed their willingness to continue in that capacity.

This report has been prepared in accordance with the Statement of Recommended Practice-Accounting and Reporting by Charities and in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Signed on behalf of the Board

*Geraldine Parker.*

----- Chair

Geraldine Parker

*15/11/2021*

----- Date

**INDEPENDENT AUDITORS' REPORT  
TO THE TRUSTEES OF VALLEY HOUSE**

**Opinion**

We have audited the financial statements of Valley House (the 'charitable company') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**INDEPENDENT AUDITORS' REPORT (CONTINUED)  
TO THE TRUSTEES OF VALLEY HOUSE**

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

**Responsibilities of Trustees**

As explained more fully in the trustees' responsibilities statement set out on page 13, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the Charity and the industry in which it operates and assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.



**INDEPENDENT AUDITORS' REPORT (CONTINUED)  
TO THE TRUSTEES OF VALLEY HOUSE**

Based on our understanding of the Charity and industry we identified that the principal risk of non-compliance with laws and regulations related to breaches of Health & Social Care Acts, Human Rights Act, Safeguarding, Mental Capacity Act, Health & Safety and Environmental Regulations, GDPR, Charities Act 2011, Companies Act 2006 and UK Employment Law.

We evaluated management incentive and opportunities for fraudulent manipulations of the financial statements and determined the principal risks are related to expenditure that does not fall within the charitable objectives or which would personally benefit the Trustees.

Audit procedures performed include :

- Identifying and assessing the design effectiveness of controls in management have in place to prevent and detect fraud.
- Challenging assumptions and judgments made by management in their significant accounting estimates and assessing if these indicate evidence of management bias.
- Reviewing the accounting records for large and unusual bank payments and testing any identified and in particular the rationale for any transactions outside the charity's normal course of business.
- Reviewing the accounting records for large and unusual journal entries and testing any identified and in particular the rationale for any transactions outside the charity's normal course of business.
- Testing a sample of debit entries in the profit and loss account to check they are bona-fide costs.
- Testing a sample of bank payments to source documentation.
- Reviewing correspondence and communication with regulators.
- Discussions with management, including consideration of known or suspected incidences of non-compliance with laws and regulation and fraud.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Wende Hubbard FCCA (Senior Statutory Auditor)**  
for and on behalf of Burgis & Bullock

**Chartered Accountants  
Statutory Auditor**

**15 November 2021**  
Dated: .....

23-25 Waterloo Place  
Warwick Street  
Leamington Spa  
Warwickshire  
CV32 5LA

**VALLEY HOUSE**  
(company limited by guarantee having no share capital)

**STATEMENT OF FINANCIAL ACTIVITIES (Including Income and Expenditure Account)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

	Note	Unrestricted Funds General £	Designated £	Restricted Funds £	Endowment Funds £	2021 TOTAL £	2020 TOTAL £
<b>Income from</b>							
Donations and legacies	3	7,054	10,000		-	17,054	8,939
Charitable Activities							
Tenant welfare services	4	524,942	-	-	-	524,942	408,660
Nursery Fees	4	216,292	-	-	-	216,292	206,137
Service Contracts	4	684,774	-	-	-	684,774	650,971
Grants	4	-	-	115,270	-	115,270	146,818
Other trading activities	5	-	-	-	-	-	7,300
Investment income	6	1,010	-	-	-	1,010	3,629
<b>Total income</b>		<b>1,434,072</b>	<b>10,000</b>	<b>115,270</b>	<b>-</b>	<b>1,559,342</b>	<b>1,432,454</b>
<b>Expenditure on:</b>							
Raising funds	7	720	-	-	-	720	-
Charitable activities	8	1,220,764	17,591	152,099	10,288	1,400,742	1,442,212
Other trading activities	9	-	-	-	-	-	4,686
Governance	10	30,763	-	-	-	30,763	33,073
Other expenditure	12	59,897	-	-	-	59,897	-
<b>Total resources expended</b>		<b>1,312,144</b>	<b>17,591</b>	<b>152,099</b>	<b>10,288</b>	<b>1,492,122</b>	<b>1,479,971</b>
<b>Net income(expenditure ) before gains/(losses) on Investments</b>		<b>121,928</b>	<b>(7,591)</b>	<b>(36,829)</b>	<b>(10,288)</b>	<b>67,220</b>	<b>(47,517)</b>
<b>Net gains/(losses) on investments</b>		<b>-</b>	<b>110,582</b>	<b>-</b>	<b>-</b>	<b>110,582</b>	<b>1,107</b>
<b>Net income/(expenditure)</b>		<b>121,928</b>	<b>102,991</b>	<b>(36,829)</b>	<b>(10,288)</b>	<b>177,802</b>	<b>(46,410)</b>
Transfer between funds	20/21/22	(100,887)	68,411	32,476	-	-	-
<b>Net movement in funds</b>		<b>21,041</b>	<b>171,402</b>	<b>(4,353)</b>	<b>(10,288)</b>	<b>177,802</b>	<b>(46,410)</b>
Fund balances at 1 April 2020		184,269	600,104	105,455	418,556	1,308,384	1,354,794
Fund balances at 31 March 2021	20/21/22	205,310	771,506	101,102	408,268	1,486,186	1,308,384

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

Income from donations and legacies was £17,054 (2020 - £8,939), of which £7,054 (2020 - £7,734) related to General Funds, £10,000 (2020: £nil) related to Designated Funds and £nil (2020 - £1,205) related to Restricted Funds.

Expenditure on charitable activities was £1,400,742 (2020 - £1,442,212), of which £1,220,764 (2020 - £1,174,665) related to General Fund, £17,591 (2020 - £53,176) related to Designated Funds, £152,099 (2020 - £204,081) related to Restricted Funds and £10,288 (2020: £10,290) related to Endowment Funds.

**VALLEY HOUSE**  
(company limited by guarantee having no share capital)

**BALANCE SHEET AS AT 31 MARCH 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	14	2,036,642	546,318
<b>Current assets</b>			
Debtors	15	82,839	106,349
Investments	16	573,006	462,424
Cash at bank and in hand		650,918	332,695
		<u>1,306,763</u>	<u>901,468</u>
<b>Creditors: amounts falling due within one year</b>	17	(157,219)	(139,402)
<b>Net current assets</b>		<u>1,149,544</u>	<u>762,066</u>
<b>Total assets less current liabilities</b>		<u>3,186,186</u>	<u>1,308,384</u>
<b>Creditors: amounts falling due after more than one year</b>	18	(1,700,000)	-
<b>Net assets</b>		<u><u>1,486,186</u></u>	<u><u>1,308,384</u></u>
<b>Funds</b>			
Unrestricted funds			
Designated funds	22	771,506	600,104
General funds	22	205,310	184,269
		<u>976,816</u>	<u>784,373</u>
Endowment funds	20	408,268	418,556
Restricted funds	21	101,102	105,455
		<u><u>1,486,186</u></u>	<u><u>1,308,384</u></u>

Approved by the Board of Directors/Trustees

*Geraldine Parker*

G Parker  
Director/Trustee

Date 15.11.21

Company Registration No. 03593394

*B Whitington*

B Whitington  
Director/Trustee

Date 15.11.21

**VALLEY HOUSE**  
(company limited by guarantee having no share capital)

**STATEMENT OF CASHFLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

	2021 £	2020 £
<b>Cash flows from operating activities</b>		
Net incoming resources	177,802	(46,410)
Add back depreciation charge and impairment	18,144	17,980
Deduct unrealised profits on investments	(110,582)	(1,107)
(Increases)/decrease in debtors	23,511	(57,277)
Increase in creditors	17,816	26,694
<b>Cash (outflow)/inflow from operating activities</b>	<u>126,691</u>	<u>(60,120)</u>
 <b>Cash flows from investing activities</b>		
Purchase of fixed assets	(1,508,468)	(13,367)
Unrealised profits on investments	110,582	1,107
Increase in loan	1,700,000	-
<b>Cash used in investing activities</b>	<u>302,114</u>	<u>(12,260)</u>
 <b>Net increase/ (decrease) in cash and cash equivalents</b>	428,805	(72,380)
 Cash and cash equivalents at 01/04/2020	795,119	867,499
 Cash at bank	650,918	332,695
Short term investments	573,006	462,424
 <b>Cash and cash equivalents at 31/03/2021</b>	<u><u>1,223,924</u></u>	<u><u>795,119</u></u>



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

**1. Accounting policies**

**Charity Information**

**Basis of accounts**

Valley House is a registered charity and is governed under its Articles of Association. Valley House was incorporated in England and is a company limited by guarantee and has no share capital. In the event of the Charitable Company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charitable company. It is principally engaged to support those more vulnerable members of our community to optimise their potential and take control of their lives. Its registered office is 55-57 Bell Green Road, Coventry, West Midlands, CV6 7GQ.

**Accounting Convention**

The accounts have been prepared in accordance with the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity company. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include investments at fair value. The principal accounting policies are set out below.

**Going concern**

Given the uncertain nature of funding available to the entity, the charitable company prepares biannual budgets which are regularly monitored against actual performance. The budgets are supported by long term strategic aims and objectives. As for all organisations, the long term impact of the current COVID-19 pandemic remains uncertain. However, the trustees are taking steps to adapt the charity's current activities, such as diversifying the range of funding streams, to secure the future of the charitable company. At time of approving the financial statements, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

**Incoming resources**

*Income recognition policies*

Items of income are recognised and included in the accounts when all of the following criteria are met:

- The charitable company has entitlement to the funds;
- any performance conditions attached to the item(s) of income have been met or are fully within the control of the charity;
- there is sufficient certainty that receipt of the income is considered probable; and
- the amount can be measured reliably.

*Investment income*

Investment income is included in the Financial Statements when receivable.

*Activities for generating funds*

Student placements and other income is included in the Financial Statements when receivable.

*Tenant welfare services*

Tenant welfare services is accounted for on an accruals basis for all tenants in residence during the financial year.

*Grants*

Revenue grants are included on a receivable basis. Capital grants in respect of building costs are to be written off over the estimated useful life of the building from the date of occupancy.

*Nursery income*

Nursery fees are included on a receivable basis.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2020**

**1. Accounting policies (continued)**

**Resources expended**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is included on an accruals basis.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

*Allocation of support costs*

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charitable company's activities. Refer to note 10 for the analysis of support and governance costs. Support costs are generally allocated based on revenue.

The charitable company initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Governance costs and other support costs are apportioned separately.

*Costs of generating funds*

Comprise the costs associated with attracting voluntary income.

*Charitable expenditure*

Comprise those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It included costs that can be allocated directly to such activities and those costs of an indirect nature to support them.

*Governance*

Includes those costs associated with meeting the constitutional and statutory requirements of the charitable company and include audit fees.

**Fund accounting**

Unrestricted funds are available to spend on activities that further any of the purposes of the charitable company. Designated funds are unrestricted funds of the charitable company which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific artistic projects being undertaken by the charity.

Endowment funds are restricted funds which either cannot be spent (permanent endowment) or where there is no actual requirement to spend or apply the capital unless, or until, the trustees decide to spend it (expendable endowment).

**Leases**

Assets acquired under finance lease are capitalised in the balance sheet and are depreciated in accordance with the charitable company's normal policy. The outstanding liabilities under such agreements are included in creditors.

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor, are charged to the Statement of Financial Activities in the year in which they fall due.

**Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

All additions greater than £1,000 are capitalised and brought into account in accordance with normal accounting practice.

Depreciation is provided at rates calculated to write off the cost of fixed assets over their expected useful lives on the following basis:

New furniture & equipment	- 4 years (straight line)
Buildings	- 50 years (straight line) from date of first use.
Community garden	- 3 years (straight line) from date of first use.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2020**

**1. Accounting policies (continued)**

Included in land and buildings is land at a cost of £142,000 that is not being depreciated.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

**Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term liquid investments with original maturities of three months or less, and bank overdrafts are shown in current liabilities.

**Financial instruments**

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**Basic financial liabilities**

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**Derecognition of financial liabilities**

Financial liabilities are derecognised when the charitable companies contractual obligations expire or are discharged or cancelled.

**Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.



**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2020**

**1. Accounting policies (continued)**

**Retirement Benefits**

The charitable company operates a defined contributions personal pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The fund is managed by Scottish Widows Limited. Contributions payable for the year are charged to the Statement of Financial Activities as and when incurred.

**Investments**

Quoted investments are shown in the balance sheet at their bid market value at the balance sheet date. The charitable company does not have any programme related or mixed motive investments.

**Taxation**

The charitable company has charitable status for taxation purposes and its activities are not subject to corporation tax.

**2. Critical accounting estimates and judgements**

In the application of the charitable company's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**Critical judgements**

**Support cost allocation**

Support costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resources. Costs relating to a particular activity are allocated directly.

**3. Income from donations and legacies**

	Unrestricted Funds £	Designated Funds £	2021 Total £	Unrestricted Funds £	Restricted Funds £	2020 Total £
Donations	7,054	10,000	17,054	7,734	1,205	8,939



**VALLEY HOUSE**  
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**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**4. Income from charitable activities**

	Unrestricted Funds £	Restricted Funds £	2021 Total £	Unrestricted Funds £	Restricted Funds £	2020 Total £
Tenant welfare services	524,942	-	524,942	408,660	-	408,660
Nursery Fees	216,292	-	216,292	206,137	-	206,137
Service Contracts						
Supported accommodation	677,688	-	677,688	587,458	-	587,458
Floating Support	7,086	-	7,086	48,672	-	48,672
Youth Service	-	-	-	14,841	-	14,841
Grants						
Pre-therapy counselling	-	115,270	115,270	-	145,317	145,317
Youth service	-	-	-	-	1,501	1,501
	<u>1,426,008</u>	<u>115,270</u>	<u>1,541,278</u>	<u>1,265,768</u>	<u>146,818</u>	<u>1,412,586</u>

**5. Income from other trading activities**

	Unrestricted Funds £	Restricted Funds £	2021 Total £	Unrestricted Funds £	Restricted Funds £	2020 Total £
Student placements	-	-	-	7,275	-	7,275
Other income	-	-	-	25	-	25
	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,300</u>	<u>-</u>	<u>7,300</u>

**6. Income from investment income**

	Unrestricted Funds £	Restricted Funds £	2021 Total £	Unrestricted Funds £	Restricted Funds £	2020 Total £
Bank interest	1,010	-	1,010	3,629	-	3,629
	<u>1,010</u>	<u>-</u>	<u>1,010</u>	<u>3,629</u>	<u>-</u>	<u>3,629</u>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**7. Expenditure on raising funds**

	Direct Costs £	Support Costs £	2021 Total £	Direct Costs £	Support Costs £	2020 Total £
<b>Unrestricted Funds</b>						
Fundraising and publicity	720	-	720	-	-	-

Unrestricted funds' support costs are allocated in proportion to revenue received.

**8. Expenditure on charitable activities**

	Direct Costs £	Support Costs £	2021 Total £	Direct Costs £	Support Costs £	2020 Total £
<b>Unrestricted Funds</b>						
Property costs	287,836	56,634	344,470	262,326	55,249	317,575
Nursery	168,032	15,560	183,592	182,830	19,725	202,555
Supported accommodation	604,843	47,601	652,444	522,638	55,678	578,316
Floating Support	39,910	348	40,258	58,528	4,594	63,122
Youth service	-	-	-	11,691	1,406	13,097
	<u>1,100,621</u>	<u>120,143</u>	<u>1,220,764</u>	<u>1,038,013</u>	<u>136,652</u>	<u>1,174,665</u>
<b>Restricted Funds</b>						
Childrens' centre	4,353	-	4,353	4,353	-	4,353
Pre-therapy counselling	137,657	8,107	145,764	184,039	14,188	198,227
Youth service	1,982	-	1,982	1,359	142	1,501
	<u>143,992</u>	<u>8,107</u>	<u>152,099</u>	<u>189,751</u>	<u>14,330</u>	<u>204,081</u>
<b>Designated Funds</b>						
Youth service	-	-	-	5,658	-	5,658
Nursery	-	-	-	6,345	-	6,345
Pre-therapy counselling	13,964	-	13,964	2,648	-	2,648
Training	855	-	855	7,537	-	7,537
Property costs	2,772	-	2,772	30,988	-	30,988
	<u>17,591</u>	<u>-</u>	<u>17,591</u>	<u>53,176</u>	<u>-</u>	<u>53,176</u>
<b>Endowment Funds</b>						
Property costs	10,288	-	10,288	10,290	-	10,290
	<u>10,288</u>	<u>-</u>	<u>10,288</u>	<u>10,290</u>	<u>-</u>	<u>10,290</u>
<b>Total cost of charitable activities</b>	<u>1,272,492</u>	<u>128,250</u>	<u>1,400,742</u>	<u>1,291,230</u>	<u>150,982</u>	<u>1,442,212</u>

Support costs are allocated in proportion to revenue.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**9. Expenditure on other trading activities**

	Direct Costs £	Support Costs £	2021 Total £	Direct Costs £	Support Costs £	2020 Total £
<b>Unrestricted Funds</b>						
Student placements	-	-	-	4,000	686	4,686
	-	-	-	4,000	686	4,686

**10. Allocation of governance and support costs**

The breakdown of support costs and how these were allocated between governance and other support costs is shown in the table below:

Cost type	Governance Related £	Other Support Costs £	Total £
Staff costs	23,683	115,004	138,687
Other costs	-	13,135	13,135
Auditors remuneration ( including non audit fees of £1275 in other costs)	7,080	-	7,080
Depreciation	-	111	111
	30,763	128,250	159,013

	Direct Costs £	Support Costs £	2021 Total £	Direct Costs £	Support Costs £	2020 Total £
<b>Cost of governance</b>						
Auditors remuneration	5,805	-	5,805	6,868	-	6,868
Staff costs	-	23,683	23,683	-	24,753	24,753
Other costs	1,275	-	1,275	1,275	177	1,452
	7,080	23,683	30,763	8,143	24,930	33,073

**VALLEY HOUSE**  
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**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**11. Staff costs**

	<b>2021</b>	<b>2020</b>
	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
Salaries	955,787	945,663
Social security costs	76,978	72,765
Pension costs	33,820	35,439
	<u>1,066,585</u>	<u>1,053,867</u>

Salaries include £nil (2020 - £nil) paid to agency staff during the year.

The aggregate redundancy costs during the year amounted to £nil (2020 - £16,436)

The average number of employees during the year was:

	<b>2021</b>	<b>2020</b>
	<b>Headcount</b>	<b>Headcount</b>
Service providers/admin	48	48
Maintenance	4	5
	<u>52</u>	<u>53</u>

One employee's total employee benefits fell between £70,000 and £80,000 (2020: 1 employee).

Key management personnel have been identified as the Chief Executive, Director of Operations and Director of Finance & Resources.

Remuneration benefits for the year were as follows: £166,754 (2020 - £165,154)

No Director/Trustee received any remuneration for services during the year or is a member of the retirement benefit scheme.

Trustees were reimbursed for travelling expenses totalling £nil (2020 - £22) within the year.

**12. Other expenditure**

	<b>Direct</b>	<b>Support</b>	<b>2021</b>	<b>Direct</b>	<b>Support</b>	<b>2020</b>
	<b>Costs</b>	<b>Costs</b>	<b>Total</b>	<b>Costs</b>	<b>Costs</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Unrestricted Funds</b>						
Financing costs	59,897	-	59,897	-	-	-
	<u>59,897</u>	<u>-</u>	<u>59,897</u>	<u>-</u>	<u>-</u>	<u>-</u>

**13. Net incoming resources for the year**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
This is stated after charging		
Depreciation	18,144	17,980
Auditors remuneration - audit	5,805	6,868
Auditors remuneration - other	1,275	1,275
Operating Leases	<u>15,337</u>	<u>19,183</u>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**14. Tangible Fixed Assets**

	<b>Furniture Fixtures &amp; Equipment £</b>	<b>General Buildings £</b>	<b>SASC Properties £</b>	<b>Community Garden £</b>	<b>Total £</b>
<b>Cost:</b>					
As at 1st April 2020	87,048	1,223,297	-	44,151	1,354,496
Additions during year	2,211	9,795	1,496,462		1,508,468
Disposals during the year	(69,992)				(69,992)
As at 31 March 2021	<u>19,267</u>	<u>1,233,092</u>	<u>1,496,462</u>	<u>44,151</u>	<u>2,792,972</u>
<b>Depreciation:</b>					
As at 1st April 2020	75,352	688,675	-	44,151	808,179
Charge for the Year	3,342	14,802	-	-	18,144
Disposals during the year	(69,992)				(69,992)
Impairment losses					
As at 31 March 2021	<u>8,702</u>	<u>703,477</u>	<u>-</u>	<u>44,151</u>	<u>756,330</u>
<b>Net book value:</b>					
As at 31 March 2021	<u>10,565</u>	<u>529,615</u>	<u>1,496,462</u>	<u>-</u>	<u>2,036,642</u>
As at 31st March 2020	<u>11,696</u>	<u>534,622</u>	<u>-</u>	<u>-</u>	<u>546,318</u>

The additions during the year within SASC Properties includes £1,463,007 for the 15 properties and permitted legal costs purchased through the loan facility provided by SASC (see Note 18).

The remaining £33,455 is for excess legal and professional fees associated with these properties.

At the end of the 10 year loan term the properties will revert to SASC as repayment of the outstanding loan facility.

This provides an effective residual value of the end of the 10 year period equivalent to cost and consequently the depreciation charge amounts to £nil.

Valley House also has the option to re-acquire the properties at their fair value at the point any loan facility has been discharged.

**15. Debtors**

	<b>2021 £</b>	<b>2020 £</b>
Rent receivable	50,351	26,584
Other debtors	15,835	29,295
Prepayments	16,653	50,470
	<u>82,839</u>	<u>106,349</u>

Prepayments in 2020 included £40,791 for consultancy/professional fees associated with the purchase in June 2020 of 9 properties through loan facilities being provided by SASC.

**16. Investments**

	<b>2021 £</b>	<b>2020 £</b>
	<b>Listed investments</b>	
Market value as at 01 April 2020	462,424	461,317
Unrealised gain in year	110,582	1,107
Market value as at 31 March 2021	<u>573,006</u>	<u>462,424</u>

100% of the Investment is in the COIF Charities Ethical Investment Fund



**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**17. Creditors: amounts falling due within one year**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Deferred income (see below)	46,264	50,943
Custodial funds	318	-
Accruals	50,350	34,451
Other creditors	60,287	54,008
	<u>157,219</u>	<u>139,402</u>

Deferred income	Balance at 01/04/2020	Funds Receivable	Funds Expended	Balance at 31/03/2021
	£	£	£	£
	<u>50,943</u>	<u>64,327</u>	<u>(69,006)</u>	<u>46,264</u>

Deferred income relates to grants and other income received in advance for activities in the coming year.

**18. Creditors: amounts falling due after more than one year**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Social and Sustainable Capital (SASC)	1,700,000	-
	<u>1,700,000</u>	<u>-</u>

SASC started providing funds in 2020 of up to £2.5m for the purchase of up to 23 properties. These funds will be available for 10 years and the properties have a restrictive covenant preventing sale other than to SASC. The properties will revert to SASC after 10 years if the funds remain unpaid at that time, with no further liabilities accruing. To date, the Charity has utilised £1.7m of these funds and purchased 15 properties with £236,993 remaining in the bank for further purchases. An offer of £205,000 has been accepted on a further property, plus legal costs, with the sale being finalised in May 2021.

This loan is secured on a first legal charge over the land and buildings and a fixed charge over a newly established Rent Account held by the Borrower.

A debt servicing charge for the loan facility has been agreed which is linked to the collection of rents from the underlying tenants of the properties, after taking into account management and service income retained by Valley House.

The debt servicing charge for the period amounted to £59,897.

**19. Custodial funds**

The movement within the year in relation to custodial funds is as follows:

	<b>£</b>
Monies received	1,458
Monies paid out	1,140

The above monies received and paid out is not included in the SOFA as the charitable company acts as custodian in relation to these monies.

At 31 March 2021 £318 (2020: £nil) has been included within creditors in relation to custodial funds received not yet distributed.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**20. Endowment Funds**

The funds of the charitable company include endowment funds comprising:

	Balance at 01/04/2020 £	Funds Receivable £	Funds Expended/ Impairment £	Transfer Between Funds £	Balance at 31/03/2021 £
<b>Capital grants</b>					
LSC regeneration budget	6,678	-	(474)	-	6,204
Coventry children's centres - Canopy	1,345	-	(94)	-	1,251
Coventry children's centres - Conservatory	10,892	-	(282)	-	10,610
Big lottery fund - Young people's fund	3,273	-	-	-	3,273
General charities - Servers	2,113	-	1	-	2,114
General charities - Capital Fund	20,000	-	-	-	20,000
Counselling suite	20,682	-	(840)	-	19,842
National Lotteries Charity Board	101,003	-	(2,160)	-	98,843
25 Bell Green Road	127,206	-	(3,301)	-	123,905
Counselling Suite 25 Bell Green Road	17,904	-	-	-	17,904
Improvements to garden, car park	34,008	-	(1,486)	-	32,522
Navigation Centre extension	73,452	-	(1,652)	-	71,800
<b>Total restricted capital grants 2020/21</b>	<b>418,556</b>	<b>-</b>	<b>(10,288)</b>	<b>-</b>	<b>408,268</b>

	Balance at 01/04/2019 £	Funds Receivable £	Funds Expended/ Impairment £	Transfer Between Funds £	Balance at 31/03/2020 £
<b>Capital grants</b>					
LSC regeneration budget	7,153	-	(475)	-	6,678
Coventry children's centres - Canopy	1,438	-	(93)	-	1,345
Coventry children's centres - Conservatory	11,175	-	(283)	-	10,892
Big lottery fund - Young people's fund	3,273	-	-	-	3,273
General charities - Servers	2,113	-	-	-	2,113
General charities - Capital Fund	20,000	-	-	-	20,000
Counselling suite	21,521	-	(839)	-	20,682
National Lotteries Charity Board	103,162	-	(2,159)	-	101,003
25 Bell Green Road	130,508	-	(3,302)	-	127,206
Counselling Suite 25 Bell Green Road	17,904	-	-	-	17,904
Improvements to garden, car park	35,495	-	(1,487)	-	34,008
Navigation Centre extension	75,104	-	(1,652)	-	73,452
<b>Total restricted capital grants 2019/20</b>	<b>428,846</b>	<b>-</b>	<b>(10,290)</b>	<b>-</b>	<b>418,556</b>

Endowment Funds are made up of reclassified restricted expenditure where capital grants have been spent on the assets for which donations were intended or reclassified designated funds for capital projects.

Amortisation is shown at the same rate as the asset is depreciated.

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**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**21. Restricted Funds**

	Balance at 01/04/2020 £	Funds Receivable £	Funds Expended/ Impairment £	Transfer Between Funds £	Balance at 31/03/2021 £
<b>Capital grants</b>					
Coventry Children's Centres	105,455	-	(4,353)	-	101,102
<b>Total restricted revenue grants 2020/21</b>	<b>105,455</b>	<b>-</b>	<b>(4,353)</b>	<b>-</b>	<b>101,102</b>
	Balance at 01/04/2019 £	Funds Receivable £	Funds Expended/ Impairment £	Transfer Between Funds £	Balance at 31/03/2020 £
<b>Capital grants</b>					
Coventry Children's Centres	109,808	-	(4,353)	-	105,455
<b>Total restricted revenue grants 2019/20</b>	<b>109,808</b>	<b>-</b>	<b>(4,353)</b>	<b>-</b>	<b>105,455</b>

Grants for capital purchases have been spent on the assets for which the donations were intended. Amortisation is shown at the same rate as the asset is depreciated. Where there are no longer trust law restrictions in place the funds are reclassified as endowment funds.

Coventry City Council provided funds in 2006 for an expansion of the Nursery and improvements to the Children's Centre with the restriction that the property is used as a Nursery for 25 years. A restriction is also placed on the registered title of the property that no disposition, sale or lease may take place unless accompanied by a certificate of the Council of the City of Coventry stating there is no payment due under the grant agreement.

	Balance at 01/04/2020	Funds Receivable	Funds Expended	Transfer Between Funds	Balance at 31/03/2021
<b>Revenue grants</b>					
<b>Young people's project</b>					
Birmingham County FA	-	-	(1,982)	1,982	-
<b>Counselling</b>					
Big lottery fund	-	-	(3,261)	3,261	-
Coventry CAB Rooted/Breakthrough	-	44,380	(50,282)	5,902	-
CDA Accelerate	-	70,890	(92,222)	21,332	-
<b>Total restricted revenue grants</b>	<b>-</b>	<b>115,270</b>	<b>(147,747)</b>	<b>32,477</b>	<b>-</b>
<b>Total restricted funds 2020/21</b>	<b>105,455</b>	<b>115,270</b>	<b>(152,100)</b>	<b>32,477</b>	<b>101,102</b>



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**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**21. Restricted Funds (continued)**

	Balance at 01/04/2019	Funds Receivable	Funds Expended	Transfer Between Funds	Balance at 31/03/2020
<b>Revenue grants</b>					
<b>Young people's project</b>					
Birmingham County FA	-	1,501	(1,501)	-	-
<b>Counselling</b>					
Big lottery fund	-	41,693	(46,750)	5,057	-
Coventry CAB Rooted/Breakthrough	-	44,857	(48,074)	3,217	-
CDA Accelerate	3,796	58,767	(102,198)	39,635	-
<b>Total restricted revenue grants</b>	3,796	146,818	(198,523)	47,909	-
<b>Total restricted funds 2019/20</b>	113,604	146,818	(202,876)	47,909	105,455

Grants received for specific projects are included in revenue grants from each of the donors as indicated and have no trust law restrictions.

**VALLEY HOUSE**  
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**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**22. Unrestricted funds**

	Balance at 01/04/2020 £	Incoming resources £	Resources expended £	Transfer between Funds £	Balance at 31/03/2021 £
General fund	184,269	1,374,175	(1,252,247)	(100,887)	205,310
<b>Designated funds</b>					
<i>Development funds</i>					
Training fund	7,000	-	(855)	(2,645)	3,500
Property / infrastructure	-	-	-	-	-
Pilot projects	10,680	10,000	(13,965)	(6,715)	-
Redundancy payments	-	-	-	-	-
Computers	-	-	(2,772)	2,772	-
Capital projects	180,000	-	-	185,000	365,000
<i>Contingency funds</i>	402,424	110,582	-	(110,000)	403,006
	600,104	120,582	(17,592)	68,412	771,506
<b>Total unrestricted funds 2020/21</b>	<b>784,373</b>	<b>1,494,757</b>	<b>(1,269,839)</b>	<b>(32,475)</b>	<b>976,816</b>
	Balance at 01/04/2019 £	Incoming resources £	Resources expended £	Transfer between Funds £	Balance at 31/03/2020 £
General fund	202,108	1,284,431	(1,212,424)	(89,846)	184,269
<b>Designated funds</b>					
<i>Development funds</i>					
Training fund	-	-	(7,537)	14,537	7,000
Property / infrastructure	11,593	-	(19,056)	7,463	-
Pilot projects	17,326	-	(10,148)	3,502	10,680
Redundancy payments	-	-	(16,435)	16,435	-
Capital projects	180,000	-	-	-	180,000
<i>Contingency funds</i>	401,317	1,107	-	-	402,424
	610,236	1,107	(53,176)	41,937	600,104
<b>Total unrestricted funds 2019/20</b>	<b>812,344</b>	<b>1,285,538</b>	<b>(1,265,600)</b>	<b>(47,909)</b>	<b>784,373</b>

Designated funds are monies set aside by the Trustees to be spent on projects specified and have no trust law restrictions.

The Development Fund is designated for capital and revenue projects. Capital expenditure incurred is re-designated to a named fund and amortisation is stated at the same rate as the asset is depreciated.

Contingency funds are monies relating to investments which have been designated to cover any large unforeseen expenditure.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**23. Analysis of Net Assets between Funds**

	Unrestricted funds £	Designated funds £	Restricted funds £	Endowment funds £	Total £
Fixed assets	30,810		1,597,564	408,268	2,036,642
Cash and current Investments	248,880	771,506	203,538		1,223,924
Other current assets/liabilities	82,839				82,839
Creditors more than one year	-		(1,700,000)		(1,700,000)
Provisions/pensions	(157,219)				(157,219)
<b>Total 2020/21</b>	<b>205,310</b>	<b>771,506</b>	<b>101,102</b>	<b>408,268</b>	<b>1,486,185</b>
	Unrestricted funds £	Designated funds £	Restricted funds £	Endowment funds £	Total £
Fixed assets	22,307	-	105,455	418,556	546,318
Cash and current Investments	195,015	600,104	-	-	795,119
Other current assets/liabilities	106,349	-	-	-	106,349
Creditors more than one year	-	-	-	-	-
Provisions/pensions	(139,402)	-	-	-	(139,402)
<b>Total 2019/20</b>	<b>184,269</b>	<b>600,104</b>	<b>105,455</b>	<b>418,556</b>	<b>1,308,384</b>

**24. Pension contributions**

The charge for the year was £33,820 (2020 - £35,439). At 31 March 2021 £4,794 contributions were outstanding to the scheme (2020 - £5,412).

**25. Lease commitments**

At the reporting end date the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021		2020	
	Equipment £	Premises £	Equipment £	Premises £
Within one year	16,354	-	15,859	-
Between two and five years	28,494	-	40,059	-
In over five years	-	-	-	-
	<b>44,848</b>	<b>-</b>	<b>55,918</b>	<b>-</b>



**VALLEY HOUSE**  
(company limited by guarantee having no share capital)

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

<b>26. Capital Commitments</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>

Amounts contracted for but not provided in the financial statements:

Acquisition of property plant and equipment

207,613

-

207,613

-

<b>27. Financial Instruments</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>

*Carrying amount of financial assets*

Investments (at fair value)

573,006

462,424

573,006

462,424

The income, expenses, net gains and net losses attributable to the charitable company's financial instruments are as follows.

**Income and expense**

Financial instruments measured at fair value through net income/expenditure

110,582

1,107

**28 Financial commitments, guarantees and contingent liabilities**

Due to the general nature of grant funding the Charity could be exposed to potential liabilities in respect of clawbacks of funding already received in certain circumstances. Each funder sets their own criteria for when and how any such liabilities may arise.

**29. Related parties**

During the year Valley House provided services to SSP to the value of £nil net (2020 - £86,388). At 31 March 2021, debtors include £nil (2020 - £nil) due from SSP.

**30. Controlling parties**

The charitable company is under the control of its trustees, directors and management committee.

**31. Corporation taxation**

The charitable company is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

**32. Post balance sheet event**

Since the year end to date the charity have purchased 5 housing properties. for £737,000 financed with a further drawdown on the long term social and sustainable capital loan which will be secured on the properties purchased.